

House Energy and Technology Committee Hearing

September 10, 2013

Good Morning. My name is Tom Horton, I am Government Affairs Manager for Waste Management's Michigan, Ohio and Indiana Area. You may be well aware that Waste Management is the largest solid waste company in North America. We run trucks, pick up trash, and haul it to landfills and waste to energy plants.

We are also the largest recycler in the country, collecting materials through our residential curbside and commercial recycling programs and processing those materials for reuse at a nationwide network of recycling facilities.

Did you know that Waste Management is also an energy production company? Our network of waste to energy plants and landfill gas powered electric generation facilities produce more electrical power than the entire U.S. solar power industry. In Michigan, we generate approximately 40 MW of base load power at seven different landfill sites. We supply landfill gas to power two automotive plants, and one site converts landfill gas to natural gas for distribution through Detroit Edison's natural gas pipeline network.

Waste Management has invested about 25 million dollars in our Michigan energy production facilities following passage of Michigan's Clean, Renewable, and Efficient Energy Act in 2008. The legislation contains a broad definition of renewable energy sources and sent a clear message that Michigan welcomed renewable energy investments.

In the future, Waste Management expects to dramatically increase its energy production by using advanced conversion technologies. Our company is investing millions of dollars in research and demonstration facilities seeking ways to extract value from the waste our customers produce. Some of the most promising of these are waste to fuel technologies. After years of development, our second waste to fuel plant is opening in Philadelphia after that city awarded Waste Management a contract in 2012 to dispose of the city's trash. A portion of that waste stream will be converted to fuel pellets made of paper, cardboard and plastic materials that we named SpecFUEL. SpecFUEL is an engineered fuel pellet having consistent BTU values and an improved emission's footprint compared to coal, making it a very desirable substitute for coal in industrial boilers. Just last month the U.S.EPA approved our fuel as an industrial boiler fuel, opening the door for our ability to build these plants nationwide.

SpecFUEL is a process that produces energy from waste as an alternative to landfill disposal. Increasing numbers of Waste Management's customers are demanding that their waste be processed in a sustainable manner. They don't want it landfilled. "If certain types of waste are diverted away from landfills and used for energy, the footprint of landfills could be dramatically decreased. While landfills are necessary, and gas can be extracted from them to create energy as well, much of the material entering landfills today could be converted to energy by conversion technologies."*

To drive these initiatives forward, Waste Management, the American Chemistry Council and the many companies investing in the development of advanced solid waste processing technologies are asking regulatory and legislative bodies at the federal and state level to revise the way we think about and manage solid waste. Michigan's own experience demonstrates that being open to new definitions of renewable energy is smart public policy. Michigan's 2008 Renewable Energy Act contained a broad definition of renewable energy sources and sent a clear message that Michigan was serious about – and willing to invest in -- renewable energy. Not only did that clear public policy message uncork millions of dollars of investment – it made windmills, solar panels and non-coal, electric-generating facilities commonplace across the Great Lakes State. These technologies and facilities create attractive jobs, pump vital dollars to local communities, and help drive the state forward economically.

Michigan can once again be a leader in jumpstarting the next phase of technology-driven growth by developing public policy that creates a renewable-energy-friendly business climate. How do we most effectively accomplish this? By welcoming capital investment. And the best way to attract capital investment is to include cutting-edge technologies in a broad-based definition of renewable energy sources. Let's capture, process and unleash this energy potential as a renewable energy source and an economic driver rather than let it simply go to waste.

Thank you for the opportunity to speak today.

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quote-Matt Hoffman, V Core company blog